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A/CN.4/L.242

Alternative drafts for a Customs union and free-trade area exception suggested by Mr. Hambro

Topic:
Most-favoured-nation clause

Extract from the Yearbook of the International Law Commission:-
1976, vol. II(1)

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DOCUMENT A/CN.4/L.242**Alternative drafts for a Customs union and free-trade area exception
suggested by Mr. Hambro**

[Original: English]
[4 June 1976]

- I. A beneficiary State is not entitled, under a most-favoured-nation clause, to any treatment extended under a Customs union, a free-trade area or an interim arrangement leading to a Customs union or a free-trade area, or extended under treaties concluded between adjacent States for the purpose of facilitating frontier traffic of persons or goods originating in areas close to the frontier between those States.
- II. (a) States to which the clause is applied should not be able to invoke it in order to claim a treatment identical with that which States participating in an integrated regional system concede to one another.
(b) States to which the clause is applied should not be able to invoke it in order to claim a treatment identical with that which States participating in a Customs union or a free-trade area concede to one another.
- III. A beneficiary State is not entitled, under a most-favoured-nation clause, to claim a treatment identical with that which members of a Customs union or a free-trade area concede to one another.
- IV. The provisions of the present articles shall not prejudice any question that may arise in connexion with a Customs union or a free-trade area.